



Dannel P. Malloy
Governor

State of Connecticut
Department of Developmental Services



Morna A. Murray, J.D.
Commissioner

Jordan A. Scheff
Deputy Commissioner

Appropriations Health Subcommittee Workgroup: February 24, 2016
Co-Chairs: Senator Terry Gerratana & Representative Patricia Dillon

The Department of Developmental Services (DDS) appreciates the opportunity to discuss the proposed midterm adjustments to the budget for the biennium ending June 30, 2017 as it relates to DDS. We have included information in response to questions posed by the Office of Fiscal Analysis and would be happy to discuss any other questions that you have.

1. Early Childhood Autism Waiver – Can it be used to support Husky B kids who are not eligible for the state Medicaid plan?

The Early Childhood Autism Waiver (ECAW) cannot duplicate the service now being offered under the Medicaid State Plan to children under age 21 on HUSKY A. Children on HUSKY B (CHIP) do not have access to Medicaid state plan services under Early and Periodic Screening, Diagnostic and Testing (EPSDT).

Federal Medicaid rules dictate that a waiver cannot duplicate a state plan service. The way the ECAW is currently configured duplicates Medicaid state plan services under EPSDT.

To keep the waiver open, a new service (such as respite) would need to be added but this service would have to be open to all children eligible for Medicaid, not just HUSKY B. A waiver cannot be sustained exclusively for 3 and 4 year old children on HUSKY B. Certainly, the addition of a new service would have fiscal implications.

An alternative option, which also has fiscal implications, would be to fully state fund ASD services for children eligible for HUSKY B. It is unclear how many children on HUSKY B have a need for such services. There are currently 6 HUSKY B children on the ECAW. These children will continue to receive services until they turn five.

2. What is the cost of providing dental services at STS (total and per person)? How many staff (job titles & salary)? How many patients annually? What percentage of patients require anesthesia?

Regarding dental services, DDS operates four dental clinics, including the one at Southbury Training School (STS). The other three are located at Ella Grasso Regional Center in Stratford, Lower Fairfield Regional Center in Norwalk and in Norwich at a DDS administrative office. Additionally, DDS works closely with four hospital providers, including UCONN Health in Farmington, St. Francis Dental Clinic in Hartford, St. Mary's Hospital Dental program in

Waterbury (this program is slated to close in June 2016) and Yale Hospital dental clinic in New Haven. DDS has contracts with UCONN Health (\$100,000), St. Francis (\$127,000), and Yale (\$20,000). A number of dentists in the state also see individuals with intellectual disability, and currently a good balance exists to meet the conventional dental needs of individuals with intellectual disability in Connecticut. However, it is more difficult to find providers who are able to offer general anesthesia for individuals with more complex dental and medical needs.

Specific to the questions about the STS dental clinic, DDS employs five staff (two dentists, one hygienist, one dental assistant, and one office assistant) at a total direct salary cost of approximately \$433,000. The STS dental clinic currently supports the dental needs of 682 individuals, including:

1. STS residents – 263
2. Private CLA – 316
3. Public CLA – 54
4. Family Home – 49

It is important to note that dental services are reimbursable under Medicaid. Also important to note is that good dental care is essential to good overall health, and this is especially true of individuals with intellectual disability.

Regarding the specific question related to the use of anesthesia, according to DDS's Dental Coordinator, approximately 30% of dental services for individuals with developmental disabilities are done under general anesthesia in the operating room. An increase in need for general anesthesia is often seen in individuals with severe disabilities and is closer to 40%. By providing preventative oral care, such as dental prophylaxis, to these individuals, DDS clinics are able to maintain better oral health for individuals which create longer intervals between the need for general anesthesia in a hospital setting. This lessens medical risks associated with general anesthesia including aspiration pneumonia, provides cost savings and opens access to care for others.

3. What is the per diem cost for STS and Regional Centers? Calculated annually by the OSC.

Attached is the December 30, 2015 Comptroller's letter regarding per diem amounts for state humane institutions. (Attachment A) The 2015 per diem rate for Southbury is \$1,323.

4. Ideas for improving services and increasing salaries of private providers. For example, transportation: updates to regulations and licensing requirements.

DDS is in the process of initiating an in-depth project into what DDS requires of providers, when, and why, and to identify every opportunity to reduce redundant or non-value added activities and efforts. The project outputs will support our commitment to ensure the rapid and systematic reduction of unnecessary administrative burdens placed upon the provider community (including DDS as a provider). Over time, many administrative requirements have accumulated without a critical assessment of what is actually required. Often the blame for these requirements is placed upon the Medicaid Waivers under which we operate a majority of services; however, this is typically a false laying of blame. DDS is fully committed to looking at the administrative burdens with the providers as project partners and working together to implement improvements in a timely manner. This process will include:

1. A comprehensive review of required processes and documents,
2. Identification and verification of requirement source,
3. Recommendations for “Quick Win” improvements (can be done immediately with no additional considerations), and
4. Recommendations for large-scale improvements (can be done over time with additional actions such as waiver amendment, regulatory changes, or IT system improvements).

What is the average hourly wage of direct care workers in private and public setting?

The average residential direct care hourly rate based on FTE data for FY 2015 is \$ 14.40 per hour for private providers. The average per hour wage for public DDS staff as of the end of fiscal year 2015 in the Developmental Service Worker 1 (DSW1), Developmental Service Worker 2 (DSW2), and Lead Developmental Service Worker (LDSW) classifications is \$27.71.

5. Four new waiver services: provide usage and cost data.

Service	Anticipated Utilization	Current/ Actual	Allocation To Date
Shared Living	15	3 persons	Avg. \$70,000 per person
Peer Support	10	2 persons	Avg. \$1,200 per person
Training & Counseling for Unpaid Caregiver	10	2 persons	Avg. \$1,200 per person
Assistive Technology	20	8 persons	Avg. \$2,000 total

No additional funding is added to individual plans for these services. Individuals, with the assistance of their case managers, have the opportunity to redesign their Individual Plan and add these services redistributing or reallocating their current funding.

Shared Living is included within our residential core services and is currently being introduced to individuals, families, providers and case managers. Three individuals are in the process of transitioning and we anticipate, as we build on our success stories, more individuals and families will be interested.

Assistive Technology, Peer Support, Training and Counseling for Unpaid Caregivers are not core services. DDS will continue to do outreach to individuals and their support teams regarding the availability of these services.

6. Regarding the transition “from provider grants under DDS to fee-for-service payments under DSS.” How does each process work (i.e., what is the difference between provider grants and fee-for-service payments) and what consequences, if any, are expected in terms of services being provided to those who need them and the funding for private providers?

DDS has established a utilization-based payment system using an individual’s Level of Need (LON) to allocate an annualized funding amount. Payments are different for different types of services – Community Living Arrangements (CLAs) and Continuous Residential Supports

(CRSs) have a monthly rate. Private providers maintain annualized contracts with DDS based on each individual's allocated funding amount.

Current DDS payments to providers are built using a base Direct Service Worker (DSW) hourly wage with additions for categories such as supervision, substitute staff, benefits, nursing and clinical services, supplies, consultants, vehicles, administrative and general costs, transportation, etc. Payment rate structures vary slightly between service types in terms of what is bundled within and what is billed separately. For instance, CLA/CRS payment rates include a factor for transportation, whereas Day Support Options (DSO) and Group Supported Employment (GSE) rates do not (transportation is billed separately).

At this time, DDS has a blended system of established rates and legacy rates. Legacy rates were developed at the inception of each program or residence and were based on the cost of the program, not a particular "per person" rate. Once a program was developed, the provider only received increases based on cost of living adjustments (COLAs). DDS is now in the process of phasing out these legacy rates. Each time a new individual enters the system or exercises portability to move to a new provider, their funding is allocated based on the established, utilization-based rates. It is worth noting that DDS has been moving toward uniform rates. Having uniform rates does not necessitate "pay the same thing to every provider" but it means a uniform methodology for payment, that can and typically does take into consideration factors such as acuity and differences in costs across geographic regions.

Specific rate methodology, implementation of said methodology, and the specifics of rates themselves will be developed by an interagency partnership between DDS, the Department of Social Services (DSS), and the Office of Policy and Management (OPM). We anticipate no impact on services. DSS will be making Medicaid payments to providers of residential services including forensic. They will also be responsible for setting rates, enrolling providers, managing individuals' Medicaid eligibility (as they do now). DDS will continue to manage the services and will qualify providers, maintain quality oversight of services, determine intellectual disability eligibility, and work with individuals and families regarding all necessary supports, placements and changes to needs.

7. OFA Questions:

- **Provide most recent DDS cost comparison** (Attachments B and C)
- **Provide BSP and Day Services Waiting list for FY14 and FY15**

The current waiting list for the Behavioral Services Program (BSP) is approximately 30 individuals.

The most recent day services waiting list was 122 individuals as of January 31, 2016. Individuals on the day services waiting list are not FY16 high school graduates or age-outs.

Day Waiting List:

Date	Total Day WL
6/30/2014	105
6/30/2015	89
1/31/2016	122

8. How many funded vacancies does the agency have, and what would be the annualized FY 17 savings from not refilling those positions?

Pursuant to the request for potential savings on all funded positions were they to go unfilled, we are happy to share that number. It is important to note that these positions are critical to our core services, and allow us to do the work on behalf of all of our stakeholders. This number of vacancies remains relatively static as staff come and go from state service or between state agencies. DDS currently has 132 such positions at an annualized cost of approximately \$7.1 million dollars of salary. Arbitrarily removing the funding for these positions would have a detrimental impact on both direct and indirect services across the state. There would of course be associated savings in short and long term fringe benefits as well.

Thank you for the opportunity to present information and answer questions today. We look forward to continuing to work with you throughout the legislative session.

Attachments

Attachment A: [Comptroller's Letter on Per Diem Amounts](#)

Attachment B: [DDS Residential Cost Comparison Chart](#)

Attachment C: [ICF and CLA Variable Residential Cost Notes FY14](#)